

1992 JUN -9 AM 9:22

47.00

AGREEMENT, QUITCLAIM DEED AND ASSIGNMENT OF MINING
LEASES (STEEN PATENTED CLAIMS
AND STRIP FRACTION UNPATENTED CLAIM)

This Agreement, Quitclaim Deed and Assignment of Mining
Leases made and entered into as of the 20th day of
January, 1989, by and between Atlas Corporation ("ATLAS"),
a Delaware corporation, whose address is 743 Horizon Court, Suite
202, Grand Junction, Colorado 81506, and W.K. Enterprises
("WKE"), a Utah limited partnership, whose address is 3080
Spanish Trail Road, Moab, Utah 84532.

WITNESSETH:

I. RECITALS

I.A. Immediately prior to August 17, 1962, Utex
Exploration Company ("UTEX") was the owner of certain patented
and unpatented lode mining claims (the "STEEN CLAIMS") situated
in San Juan County, State of Utah.

I.B. By Mining Deed (the "UTEX DEED") dated
August 17, 1962, and recorded in the Recorder's Office of San
Juan County, State of Utah (the "RECORDER'S OFFICE") on August
17, 1962, in Book 345 at pages 194-199, UTEX conveyed to the
Grantees named therein the undivided interest in the STEEN CLAIMS
set opposite the name of each grantee as follows:

<u>Name of Grantee</u>	<u>Undivided Interest Conveyed</u>
Charles A. Steen ("STEEN")	82.7465%
Maxine S. Boyd ("BOYD")	4.5775%
Mitchell Melich ("MELICH")	3.5211%
W. R. McCormick ("McCORMICK")	2.1127%

W. K. Enterprises
3240 South Highway
Moab, Utah 84532

Entry No. 1002230 514
Recorded 9-22-92 At 1:22 P.M. Book 345 Pg 544
Fee Paid
47.00 By L. L. Jones Deputy
Recorder, San Juan County

514

First Security Bank of Utah, N.A.,
as Trustee under a trust for the
benefit of four minor children of
STEEN (said Trustee and its successors
are sometimes hereinafter the "STEEN
TRUST")

7.0422%

I.C. The UTEX DEED conveyed some rights to use
the McCormick Tunnel (the "McCORMICK TUNNEL") and also reserved
some rights with respect to that tunnel which reserved rights
were described in the UTEX DEED as follows:

The herein reserved right of Grantor (UTEX),
and its successors in interest, to use the
McCormick Tunnel is a right to use said Tunnel for
the exploration, development and/or operation of
the Mujer Sin Verguenca, Mi Corazon, Besame Mucho,
Pisco and Fundadora lode mining claims, M. S. No.
7251, and those portions of the Te Quiero and Mi
Vida lode mining claims, M. S. No. 7251, which are
not hereby conveyed, and/or any portions of the
property conveyed hereby which may hereafter be
conveyed to Atlas Corporation (ATLAS) or its
successors in interest pursuant to that certain
Stock Purchase Agreement dated as of May 29, 1962,
between Grantees herein (STEEN, BOYD, MELICH,
McCORMICK and the STEEN TRUST) and Atlas
Corporation and that certain Mining Agreement of
the same date between the same parties, and is
subject to the herein defined rights of Grantees
and their successors in interest. Grantees, and
their successors in interest, shall have the right
to use, in common with Grantor and its successors
in interest, that portion of the McCormick Tunnel
referred to in the hereinabove set out grant and
those portions thereof referred to in the
hereinabove set out reservation but any use
thereof by Grantees or their successors in
interest shall be for the exploration, development
and/or operation of the hereby conveyed property
and shall be such as to not materially interfere
with the use thereof by Grantor or its successors
in interest, for the purposes heretofore stated.

I.D. By Mining Deed dated August 30, 1966, which

was recorded in the RECORDER'S OFFICE on September 30, 1966, in Book 384 at pages 524-526, First Security Bank of Utah, N.A., as Trustee of the STEEN TRUST, conveyed to Continental Bank & Trust Company, as successor Trustee of the STEEN TRUST, the undivided 7.0422% interest in the STEEN CLAIMS belonging to the STEEN TRUST.

I.E. By Mining Lease (the "FIRST LEASE") dated March 31, 1967, and recorded in the RECORDER'S OFFICE on May 10, 1967, in Book 399 at pages 521-553, STEEN, BOYD, MELICH, McCORMICK and the STEEN TRUST, as lessors, leased to ATLAS, as lessee, the following described portion of the STEEN CLAIMS (the "CONVEYED PORTION OF THE STEEN CLAIMS"), to-wit:

The Barcardi, Mi Alma, Linda Mujer and Mi Amorcita patented lode mining claims (M.S. No. 7251), the Ann patented lode mining claim (M.S. 7252), the hereinbelow defined portion of the Mi Vida patented lode mining claim (M.S. 7251) and the Strip Fraction unpatented lode mining claim (Bureau of Land Management Serial No. 130346), the Notice of Location of which is recorded in Book 29, Page 474, and an Amended Notice of Location of which is recorded in Book 247, Page 412, in the RECORDER'S OFFICE, such property being more particularly described as follows:

- Beginning at Corner No. 1 of the Ann lode, Sur. No. 7252, from which the corner of sections 11, 12, 13 and 14, Township 30 South, Range 24 East, S.L.M., bears South 48°47' East, 1419.99 feet distant.
- Thence, North 30°05' West, 643.32 feet to Corner No. 4 Ann, Sur. No. 7252, identical with the South East corner of the Strip fraction lode, unpatented and unsurveyed.
- Thence, North 61°09' West, 8.50 feet to the North East corner of the said Strip fraction lode, identical

of said Mi Amorcita lode identical with the North West corner of said Strip fraction lode.

ESTRATED
Thence, South 61°09' East, 8.50 feet to South West corner of said Strip fraction lode identical with Corner No. 3 of said Ann lode, Sur. No. 7252.

Thence, South 30°05' East, 643.32 feet to Corner No. 2 of said Ann lode, Sur. No. 7252.

Thence, North 38°46' East, 1500.00 feet to Corner No. 1 Ann lode, Sur. No. 7252 and place of beginning.

Exclusive, however, of conflicts with areas within Big Buck Nos. 8A, 9, 9A and 10 patented lode mining claims as such conflict areas are shown on Plat of Surveys No. 7251 and 7252. Such so excluded conflict areas constitute portions of the Linda Mujer, Mi Amorcita and Ann patented lode mining claims and the Strip fraction unpatented lode mining claim and are more particularly described as follows:

ESTRATED
Beginning at Corner No. 1 of the Ann lode, Sur. No. 7252 from which the corner of Sections 11, 12, 13 and 14, Township 30 South, Range 24 East, S.L.M. bears South 48°47' West, 1419.99 feet distant.

Thence, North 30°05' West, 643.32 feet to Corner No. 4 of said Ann lode, identical with the South East corner of the Strip fraction lode, unsurveyed.

ESTRATED
Thence, North 61°09' West, 8.50 feet to North East corner of the said Strip Fraction, identical with Corner No. 1 Mi Amorcita lode, Sur. No. 7251.

Thence, North 32°51' West, 632.26 feet to Corner No. 4 of said Mi Amorcita lode, identical with Corner No. 1 Linda Mujer lode, Sur. No. 7251.

Thence, North 7°18' West, 833.16 feet to Corner No. 4 of said Linda Mujer lode, identical with Corner No. 2 Mi Vida lode, Sur. No. 7251.

ESTRATED
Thence, South 2°58' East, 589.15 feet to South West corner Big Buck 8A lode, unsur., identical with the North West corner Big Buck No. 9 lode, unsur.

Thence, South 18°51' East, 588.06 feet to South West Corner Big Buck No. 9 lode, unsur., identical with

the North West corner of Big Buck No. 9A lode, unsur.

ABSTRACTED
RESTRICTED

Thence, South 40°38' East, 496.66 feet to the South West Corner Big Buck No. 9A lode, unsur., identical with the North West Corner of Big Buck No. 10, unsur.

ABSTRACTED
RESTRICTED

Thence, South 26°51' East, 473.59 feet to intersect line 1-2 Ann lode, Sur. No. 7252.

Thence North 38°46' East, 33.38 feet to Corner No. 1 Ann lode, Sur. No. 7252 and place of beginning.

SUBJECT TO:

I.E.1. The limitations and restrictions of Patent Number 1158091 and Patent Number 1200000 covering the above described patented lode mining claims.

I.E.2. That certain Boundary Line Agreement dated November 10, 1953, between UTEX, as "First Party," and Donald T. Adams, et al., (collectively "ADAMS") as "Second Parties," which was recorded in the Recorder's Office of San Juan County, State of Utah (the "RECORDER'S OFFICE") on December 17, 1953, in Book 45 at pages 138-142, as amended and supplemented by that certain Boundary Line Agreement dated August 23, 1955, between UTEX, as "First Party," and ADAMS, as "Second Parties," which was recorded in the RECORDER'S OFFICE on May 5, 1956, in Book 104 at pages 312-318. (The Boundary Line Agreement dated November 10, 1953, as amended by the Boundary Line Agreement dated August 23, 1955, is hereinafter the "UTEX-ADAMS BOUNDARY AGREEMENT.")

I.F. The term of the FIRST LEASE ran until

December 31, 1970, and was extended to December 31, 1975, by Extension of Term of Mining Lease dated August 20, 1969, which was executed by STEEN, BOYD, MELICH, McCORMICK and the STEEN TRUST, as "First Parties," and ATLAS.

I.G. The parties hereto believe that sometime between the date of the FIRST LEASE and December 31, 1975, one-third of the share of each of the beneficiaries in the STEEN CLAIMS under the STEEN TRUST was distributed to such beneficiaries. The Quitclaim Deed to one beneficiary, Andy Kirk Steen ("ANDY"), from Continental Bank and Trust Company, as Trustee, dated September 5, 1973, which was recorded in the RECORDER'S OFFICE on December 17, 1973, in Book 516 at pages 190-193, conveyed one-third of an undivided 1.76055% interest in the STEEN CLAIMS.

I.H. The parties hereto believe that immediately prior to December 31, 1975, the CONVEYED PORTION OF THE STEEN CLAIMS was owned, subject to the FIRST LEASE, as follows:

<u>Name</u>	<u>Undivided Interest Owned</u>
Bill Kelly, Trustee in Bankruptcy for STEEN (Bill Kelly and any and all successor trustees are hereinafter "STEEN'S TRUSTEE IN BANKRUPTCY")	82.7465%
BOYD	4.5775%
MELICH	3.5211%
McCORMICK	2.1127%
STEEN TRUST	4.6948%

<u>Name</u>	<u>Undivided Interest Owned</u>
John C. Steen ("JOHN")	0.58685%
Charles A. Steen, Jr. ("CHARLES")	0.58685%
ANDY	0.58685%
Mark Ashby Steen ("MARK")	0.58685%

I.I. As of December 31, 1975, STEEN'S TRUSTEE IN BANKRUPTCY, BOYD, MELICH, MCCORMICK, JOHN, CHARLES, ANDY, MARK and the STEEN TRUST, as lessors, entered into a Mining Lease (the "DECEMBER 31, 1975 LEASE") with Atlas, as lessee, covering the CONVEYED PORTION OF THE STEEN CLAIMS, one counterpart of which was recorded in the RECORDER'S OFFICE on July 31, 1978, in Book 592 at pages 751-780.

I.J. The term of the DECEMBER 31, 1975, LEASE is stated as follows:

To have And to hold unto Lessee, its successors and assigns, for a primary term commencing on January 1, 1976 and extending to and terminating on December 31, 1986, and thereafter so long as minerals are produced from the Mining Properties in commercial quantities.

I.K. ATLAS acquired ownership of the interest of STEEN and STEEN'S TRUSTEE IN BANKRUPTCY in the CONVEYED PORTION OF THE STEEN CLAIMS by virtue of the following instruments covering the CONVEYED PORTION OF THE STEEN CLAIMS to ATLAS, as grantee, to-wit:

I.K.1. Quit Claim Deed dated April 2, 1976, from Minnie Lee Steen, the wife of STEEN, as grantor, which was

recorded in the RECORDER'S OFFICE on April 12, 1976, in Book 557 at pages 268-272.

I.K.2. Deed dated May 18, 1976, from STEEN'S TRUSTEE IN BANKRUPTCY, as grantor, which was recorded in the RECORDER'S OFFICE on June 1, 1976, in Book 560 at pages 648-652.

I.L. As of December 1, 1976, ATLAS, as lessee, executed separate leases covering the CONVEYED PORTION OF THE STEEN CLAIMS, which mining leases superceded the DECEMBER 31, 1975 LEASE and are hereinafter collectively referred to as the "PRESENT LEASE." The PRESENT LEASE includes the following:

I.L.1. Mining Lease from JOHN, CHARLES, Nancy Steen ("NANCY"), ANDY, MARK, BOYD and which was recorded in the RECORDER'S OFFICE on October 14, 1977, in Book 583 at pages 160-184.

I.L.2. Mining Lease from MELICH and Doris S. Melich which was recorded in the RECORDER'S OFFICE on July 31, 1978, in Book 592 at pages 730-750.

I.L.3. Mining Lease from McCORMICK.

I.M. The PRESENT LEASE provides, among other things, as follows:

I.M.1. The term of the PRESENT LEASE is described therein as follows:

To have and to hold unto Lessee, its successors and assigns, for a primary term commencing on December 1, 1976 and extending to and terminating on December 31, 2001, and thereafter so long as minerals are produced from

the Mining Properties in commercial quantities.

I.M.2. In ARTICLE III for the payment of a royalty (the "LESSORS' ROYALTY") to the lessors therein.

I.M.3. In ARTICLE XIII the following:

13.1 This Mining Lease is and shall be binding upon and inure to the benefit of the Lessors (and, in the case of the individual Lessors, their heirs and personal representatives, in the case of The Continental Bank and Trust Company, Trustee, any successor to it as trustee under the trust for the benefit of minor children of Charles A. Steen and any distributees of corpus of said trust) and Lessee and any successor (whether by merger, consolidation or acquisition of all or substantially all the assets) of Lessee, but shall not be otherwise assignable by any party except with the written consent of the others, which will not be unreasonably withheld. Any attempted assignment by any party, except as aforesaid, shall be without force and effect

I.N. The parties hereto believe the following:

I.N.1. By Quitclaim Deed dated April 13, 1979, and recorded in the RECORDER'S OFFICE on April 18, 1979, in Book 601 at page 42, McCORMICK conveyed his interest in the CONVEYED PORTION OF THE STEEN CLAIMS to Patricia McCormick ("PATRICIA") as trustee for her children and grandchildren.

I.N.2. On or about October 1, 1986, Moore Trust Company succeeded Continental Bank and Trust Company as Trustee of the STEEN TRUST.

I.N.3. It was intended that as of the present all of the interest of the STEEN TRUST in the STEEN CLAIMS has been distributed to JOHN, CHARLES, ANDY and MARK as

the beneficiaries of that trust. The following instruments have been recorded in the RECORDER'S OFFICE, each covering an undivided 1.1737% interest in the STEEN CLAIMS (except the Strip Fraction mining claim), to-wit:

I.N.3.a. Assignment dated April 7, 1987, from Moore Trust Company, as Trustee, to ANDY which was recorded in the RECORDER'S OFFICE on April 10, 1987, in Book 685 at pages 822-829.

I.N.3.b. Assignment and Confirmatory Assignment dated December 7, 1987, from Continental Bank and Trust Company, as Trustee, and Moore Trust Company, as Trustee, to CHARLES which was recorded in the RECORDER'S OFFICE on August 10, 1988, in Book 696 at pages 762-767.

I.N.4. NANCY was the wife of CHARLES and sometime prior to the date of this instrument NANCY and CHARLES were divorced and NANCY acquired one-half of the interest of CHARLES in the STEEN CLAIMS.

I.N.5. The CONVEYED PORTION OF THE STEEN CLAIMS is presently owned as follows:

<u>Name of Owner</u>	<u>Undivided Interest Owned</u>
ATLAS	82.7465%
BOYD	4.5775%
MELICH	3.5211%
PATRICIA	2.1127%
JOHN	1.76055%

<u>Name of Owner</u>	<u>Undivided Interest Owned</u>
CHARLES	0.880275%
NANCY	0.880275%
ANDY	1.76055%
MARK	1.76055%

I.N.6. The interest of BOYD, MELICH, PATRICIA, JOHN, CHARLES, NANCY, ANDY and MARK (collectively the "LESSORS") in the CONVEYED PORTION OF THE STEEN CLAIMS is subject to the PRESENT LEASE and such rights as the lessee has in the PRESENT LEASE are owned by ATLAS.

I.O. The interest of ATLAS in the LEASED PORTION OF THE STEEN CLAIMS includes the rights given ATLAS and is subject to the obligations and burdens as set forth in the following Agreements (collectively the "MAY 1 AGREEMENTS") dated May 1, 1977, and recorded in the RECORDER'S OFFICE on January 24, 1980, in Book 614 between ATLAS, Minerals West, Incorporated, and San Juan County, Utah, to-wit:

I.O.1. Agreement relating to the Expectation Tunnel (the "EXPECTATION TUNNEL") which was recorded on pages 525-529.

I.O.2. Agreement relating to the McCORMICK TUNNEL which was recorded on pages 530-533.

I.Q. ATLAS desires to quitclaim its interest in the CONVEYED PORTION OF THE STEEN CLAIMS and assign its interest

in the PRESENT LEASE to WKE and reserve a royalty and the parties desire to make an agreement with reference to the CONVEYED PORTION OF THE STEEN CLAIMS and the PRESENT LEASE.

II. QUITCLAIM DEED.

ATLAS hereby quitclaims to WKE, for the sum of Eleven Thousand Dollars (\$11,000.00) paid by WKE to ATLAS for this Quitclaim Deed and for the conveyance of other property, in further consideration of the reservation of royalty and the agreement between the parties hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, all of the right, title and interest of ATLAS in and to the CONVEYED PORTION OF THE STEEN CLAIMS.

II.A. TOGETHER WITH:

II.A.1. Such rights as ATLAS has in relation to the MCCORMICK TUNNEL and the EXPECTATION TUNNEL under the agreements and other instruments relating to those tunnels.

II.A.2. All structures, improvements, machinery, equipment and mineralized heaps and dumps of every kind and nature situated on the CONVEYED PORTION OF THE STEEN CLAIMS.

II.B. SUBJECT TO the following:

II.B.1. The agreements relating to the MCCORMICK TUNNEL and the EXPECTATION TUNNEL under the agreements and other instruments relating to those tunnels.

II.B.2. The limitations and restriction of Patent Number 1158091 and Patent Number 1200000 covering the above described patented lode mining claims.

II.B.3. The UTEX-ADAMS BOUNDARY AGREEMENT.

III. RESERVATION OF ROYALTY

ATLAS EXCEPTS from the above Quitclaim Deed and RESERVES to itself, its successors and assigns, a perpetual royalty of seven percent (7%) of the market value of all minerals mined and removed from the CONVEYED PORTION OF THE STEEN CLAIMS and sold or processed.

III.A. The market value of all uranium and/or vanadium bearing ores shall be determined as follows:

III.A.1. The market value of uranium and/or vanadium bearing ores sold by WKE, its successors and assigns, in raw, crude form to a buyer not controlled, wholly or partly by WKE, its successors and assigns, shall be the actual net proceeds received for such ores by WKE, its successors and assigns, after deducting the costs, if any, of transporting such ore from the mine to the point of sale.

III.A.2. The market value of uranium and/or vanadium bearing ores sold by WKE, its successors and assigns, in raw, crude form to a buyer controlled, wholly or partly by WKE, its successors and assigns, or which are not sold in raw, crude form, but rather are processed in a mill by or for WKE, its successors and assigns, shall be determined by deducting the

actual cost of transporting such ores from the mine to the point of sale or mill from the value determined as follows:

III.A.2.a. The value of uranium in the uranium and/or vanadium bearing ores processed for the recovery of uranium shall be determined from the following price schedule with the applicable adjustments provided hereunder:

<u>Grade of Ore</u> <u>(Uranium-U₃O₈-Assay)</u>	<u>Ore Value per</u> <u>Dry Ton</u>
0.10%	\$ 3.00
0.15	7.50
0.20	14.00
0.30	21.00
0.40	28.00
0.50	35.00
0.60	42.00
0.70	49.00
0.80	56.00
0.90	63.00
1.00	70.00

Over 1.00% add \$7.00 for each 0.10%
U₃O₈ in excess of 1.00%

(NOTE: Ores of grades intermediate to those specified above will be valued on a pro rata basis. With respect to mine waters or solutions [whether natural or introduced] or ores assaying less than 0.10% of U₃O₈ that are processed by WKE, its successors and assigns, for recovery of uranium therefrom, the ore value shall be \$1.50 per pound of U₃O₈ recovered.)

III.A.2.b. The value of the uranium in the ores processed for the recovery of uranium so determined as set forth above shall be multiplied by $x + \$8.00$ where x is the Exchange Value per pound (or, if prices are no longer quoted as "Exchange Value," the substantial equivalent thereof) of U₃O₈ in

the NUEXCO MONTHLY REPORT TO THE NUCLEAR INDUSTRY, published by the Nuclear Exchange Corporation, Denver, Colorado, for the calendar month preceding the calendar month in which such ores are crushed and sampled. In the event that such price or quotation, or its substantial equivalent, is not published therein or such publication ceases or is suspended, then x shall mean the substantial equivalent of such price or quotation.

III.A.2.c. In the event WKE, its successors and assigns, recovers vanadium from vanadium bearing ores during the processing of the uranium and/or vanadium bearing ores, the value of the vanadium shall be calculated by determining the total pounds of vanadium pentoxide (V_2O_5) present in vanadium bearing ore crushed and sampled during each calendar month and by multiplying the total pounds by the value per pound. Vanadium bearing ore is defined as ore having a weighted average vanadium pentoxide (V_2O_5) content of 0.6% or greater. The vanadium pentoxide thus calculated to be present shall be valued at the rate of \$0.31 per pound; however, if the quoted price per pound for Hiveld 98% fused vanadium pentoxide as quoted in the Metal Bulletin published by Metal Bulletin Journals, Ltd., or a successor publication, for the month previous to the month in which such vanadium bearing ores are crushed and sampled, is greater than \$1.25, the total value of the vanadium pentoxide present in the ore for the particular month shall be multiplied by a fraction, the numerator of which is the quoted price and the

denominator of which is \$1.25. Any modification shall be calculated to the thousandths decimal place. If the quoted price for 98% fused vanadium pentoxide does not exceed \$1.25, no adjustment in the calculated value of the vanadium pentoxide present will be made.

III.B. The market value of all minerals, other than uranium or vanadium, mined and removed from the CONVEYED PORTION OF THE STEEN CLAIMS which are recovered and marketed by WKE, its successors and assigns, shall be determined at the mine mouth and shall be the proceeds received by the WKE, its successors and assigns, from the sale of such other minerals with deductions for processing and transportation.

III.C. WKE, its successors and assigns, shall pay the royalty reserved herein within thirty (30) days after the calendar month within which WKE, its successors and assigns, receive payment for the ore which is sold in raw, crude form or the ore is crushed and sampled where the ore is processed by or for WKE, its successors and assigns. Each royalty payment shall be accompanied by a copy of the settlement sheets, if any, and/or such other documents and data as are reasonably necessary to show the calculation of the royalty payment.

III.D. The royalty reserved herein by ATLAS is in addition to all other royalty interests which may be outstanding and shall not be proportionately reduced because ATLAS has less than the entire undivided interest in the CONVEYED PORTION OF THE

STEEN CLAIMS or in the event the grant by ATLAS to WKE hereunder is less than an undivided 82.7465% interest in and to the CONVEYED PORTION OF THE STEEN CLAIMS.

III.E. The royalty reserved herein is perpetual and shall not be terminated, reduced or affected in any way by the abandonment, surrender or other termination of the PRESENT LEASE or by an abandonment of the Strip Fraction unpatented lode mining claim. In the event the Strip Fraction mining claim is abandoned by WKE, its successors an assigns, and not reacquired by ATLAS, all as is hereinafter provided, the following provision shall apply to the land covered by the Strip Fraction mining claim, to-wit:

III.E.1. In the event that within a period of five (5) years following the abandonment of the Strip Fraction mining claim, WKE, its successors or assigns, or any entity in which WKE has an ownership interest, acquires an interest in the land, then a royalty equal in amount to the royalty reserved herein by ATLAS on the Strip Fraction mining claim shall be paid on the land by WKE, its successors and assigns, to Atlas, its successors and assigns, and upon written request of ATLAS, its successors and assigns, a conveyance shall be made to ATLAS, its successors and assigns, of a royalty on the land equivalent to the royalty reserved hereunder by ATLAS on the Strip Fraction mining claim.

III.E.2. This provision shall apply to any

subsequent abandonment of any or all rights in the land when WKE, its successors or assigns, or any entity in which it has an ownership interest, reacquires any interest in the land within a five (5) year period after such subsequent abandonment.

IV. ASSIGNMENT. Subject to the consent of the LESSORS and of all other persons or entities, if any, whose consent is required under Section 13.1 of the PRESENT LEASE, and in consideration of the foregoing Quitclaim Deed and royalty reservation and the agreement between the parties hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by ATLAS, ATLAS hereby assigns to WKE the PRESENT LEASE.

V. AGREEMENT. In consideration of the amounts paid for the foregoing Quitclaim Deed and Assignment, of the execution of the foregoing Quitclaim Deed and Assignment and of the foregoing reservation of royalty and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each of the parties, and in addition to the obligation of WKE, its successors and assigns, to pay the royalty reserved in Section III, the parties hereto agree and do as follows:

V.A. Irrespective of the time the obligation accrued, WKE shall perform all reclamation work required by the State of Utah, the Bureau of Land Management and all other state and federal agencies and by all state and federal laws and

regulations, including, but not being limited to, all work required to be done under permits acquired by ATLAS, with respect to the CONVEYED PORTION OF THE STEEN CLAIMS and shall indemnify and save and hold harmless ATLAS from any and all claims, costs, expenses and liabilities, including reasonable attorneys' fees, with respect to that reclamation work. If the involved governmental agencies will approve the same, the permits of ATLAS shall be assigned to WKE which shall accept the assignment and assume all of the obligations of ATLAS under those permits.

V.B. WKE shall indemnify and save and hold harmless ATLAS from any and all claims, costs, expenses and liabilities, including reasonable attorneys' fees, arising out of or connected with the operations of WKE on the CONVEYED PORTION OF THE STEEN CLAIMS.

V.C. WKE acknowledges and agrees that ATLAS makes no warranties or representations of any kind or nature, express or implied, with respect to the PRESENT LEASE or the CONVEYED PORTION OF THE STEEN CLAIMS and that WKE has made such investigation of the title, condition and all other matters relating to this transaction as it desires to make. WKE enters into this transaction in sole reliance on its own investigation and knowledge of the property and not in reliance on any statements made by ATLAS.

V.D. WKE shall perform each and every obligation of ATLAS under the PRESENT LEASE, the applicable agreements

relating to the MCCORMICK TUNNEL and the EXPECTATION TUNNEL and all other obligations of ATLAS relating to the CONVEYED PORTION OF THE STEEN CLAIMS. WKE shall indemnify and save and hold harmless ATLAS, its successors and assigns, from any and all claims, costs, expenses and liabilities, including reasonable attorneys' fees with respect to the PRESENT LEASE and the other applicable agreements insofar as the same cover the CONVEYED PORTION OF THE STEEN CLAIMS.

V.E. The parties believe that the only outstanding royalties on the CONVEYED PORTION OF THE STEEN CLAIMS are the LESSORS' ROYALTY and the royalty reserved by ATLAS in this instrument. Should any other royalty be outstanding on the LEASE PREMISES, WKE shall indemnify and save and hold harmless ATLAS from any and all claims, costs, expenses and liabilities, including reasonable attorneys' fees, with respect to such other royalties, if any.

V.F. ATLAS has delivered or will deliver to WKE some records, documents and data, including title and geological information, which ATLAS has in its possession pertaining to the CONVEYED PORTION OF THE STEEN CLAIMS, all without warranty or representation, express or implied, with respect to the accuracy, reliability or completeness of the information or matter furnished by ATLAS. WKE acknowledges that any use of or reliance upon the information or matter furnished by ATLAS by WKE or by any other person, firm or corporation shall be at its sole risk,

liability and responsibility. WKE shall indemnify and save and hold harmless ATLAS from any and all claims, demand, liabilities, costs and expenses, including reasonable attorneys' fees, that may be asserted against ATLAS or which ATLAS may suffer as a result of any person, firm or corporation obtaining by, through or under WKE, the information furnished hereunder by ATLAS to WKE.

V.G. WKE shall pay all taxes and/or assessments levied and/or assessed against the CONVEYED PORTION OF THE STEEN CLAIMS and/or all mining structures, machinery, equipment and mineralized dumps and heaps situated thereon, including, but not being limited to, all mine occupation taxes, net proceeds taxes, all other taxes or assessments resulting from or attributable to the production and/or sale of ores or minerals from the CONVEYED PORTION OF THE STEEN CLAIMS. WKE shall indemnify and save and hold harmless ATLAS from all claims, costs, expenses and liabilities, including reasonable attorneys' fees, which respect to such taxes.

V.H. WKE shall perform all assessment work, record the necessary affidavits regarding the assessment work and make all filings with the Bureau of Land Management necessary to maintain the validity of the Strip Fraction unpatented lode mining claim above described. WKE shall indemnify and save and hold harmless ATLAS from any and all claims, costs, expenses and liabilities, including reasonable attorneys' fees, with respect

to such assessment work, recording and filing.

V.I. At any time which is at least one hundred twenty days prior to the end of the current assessment year, WKE may elect to abandon said Strip Fraction mining claim and/or surrender the PRESENT LEASE, or any part thereof, by giving written notice of that election to ATLAS. Upon receipt of notice of the election to abandon or surrender, ATLAS shall have, with respect to the property which WKE has elected to abandon or surrender, the option to do either of the following with the following consequences:

V.I.1. ATLAS may, within sixty days of the giving of the notice of election to abandon or surrender, make written demand on WKE requiring WKE to reconvey or reassign to ATLAS the property which WKE has elected to abandon or surrender. Upon the giving of that demand, WKE shall promptly reconvey or reassign the property to ATLAS and thereupon shall be relieved of the obligation to perform any further reclamation work hereunder with respect to the reconveyed or reassigned property.

V.I.2. In the event ATLAS does not elect to require WKE to reconvey to ATLAS the property which WKE desires to abandon or surrender as above set forth, WKE may proceed to abandon or surrender the property, provided that WKE shall continue to be responsible to perform all the required reclamation work and other obligations as set forth herein with respect to the abandoned or surrendered property. Such

abandonment or surrender shall be subject to the provisions of Section III.E. above.

V.J. Any notices, demands, or deliveries of information herein contemplated to be given:

V.J.1. To ATLAS shall be deemed sufficient if given, in writing, by personal delivery or by certified or registered mail, return receipt requested, addressed to:

Atlas Corporation
Atlas Minerals Division
743 Horizon Court, Suite 202
Grand Junction, CO 81506

or to such other address as ATLAS shall hereafter designate to WKE, in writing.

V.J.2. To WKE shall be deemed sufficient if given, in writing, by personal delivery or by certified or registered mail, return receipt requested, addressed to:

W. K. Enterprises
3080 Spanish Trail Road
Moab, UT 84532

or to such other address as WKE shall hereafter designate to ATLAS, in writing.

Service of notice or demand or delivery of information by mail shall be deemed effective and complete at the time of deposit thereof in the United States mail, with postage prepaid, and addressed as aforesaid.

V.K. This entire writing sets forth the entire agreement and understanding between the parties with reference to

the CONVEYED PORTION OF THE STEEN CLAIMS and the PRESENT LEASE, there being no oral agreements, promises or representations which are or may be incidental or supplementary to the provisions hereof. No change, amendment, addition to, or waiver of any of the provisions of this agreement shall be binding upon the parties hereto unless in writing, signed by an authorized representative of the party to be bound. No waiver by any party of a breach of any of the provisions of this Agreement shall be construed as a waiver of any subsequent breach, whether of the same or of a different character.

V.L. The covenants, agreements and indemnities included or provided in this Agreement shall survive the above conveyance and/or assignment and the delivery of any other documents of conveyance and/or assignment and shall continue in full force and effect.

V.M. This entire instrument shall be construed and enforced in accordance with the laws of the State of Utah.

V.N. This AGREEMENT, QUITCLAIM DEED AND ASSIGNMENT OF MINING LEASES and the CONSENT OF LESSORS which follows may be executed by the parties in any number of counterparts, each of which shall be deemed an original and all of which together shall constitute but one and the same instrument.

V.O. This entire instrument is made for the benefit of and is binding upon the successors and assigns of the

parties hereto.

IV.P. Each party represents to the other that it has all requisite power and authority to enter into this instrument and to perform its obligations hereunder. The consummation of the transaction contemplated by this instrument will not violate, or be in conflict with, any provision of its charter, by-laws or other governing documents, or any agreement or instrument to which it is a party or is bound, or any judgment, decree, order, statute, rule or regulation applicable to it. The execution, delivery, and performance of this instrument have been duly and validly authorized by all necessary corporate, partnership and/or individual action on the part of each party hereto.

IN WITNESS WHEREOF the parties hereto have set their hands as of the day and year first above set forth.

ATLAS CORPORATION

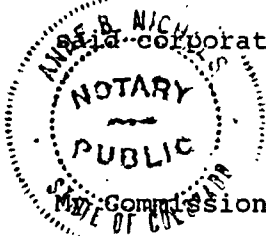
By Keith R. Hulley
Keith R. Hulley, President
Atlas Minerals Division

W.K. ENTERPRISES

By Wilene K. Shumway
Wilene K. Shumway, General
Partner

STATE OF COLORADO)
: ss.
County of Mesa)

On this 20th day of January, 1989,
personally appeared before me Keith R. Hulley, who being first
duly sworn, deposes and says that he is President of Atlas
Minerals Division of Atlas Corporation, a Delaware corporation,
and that he executed the foregoing instrument on behalf of said
corporation by authority of a resolution of its board of
directors, and said Keith R. Hulley duly acknowledged to me that
said corporation executed the same.

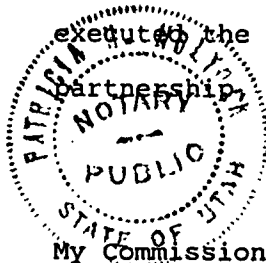


Anne B. Nichols
Notary Public
Residing at Grand Junction, CO

My Commission Expires:

9-23-89
STATE OF UTAH)
: ss.
County of Grand)

On this 18th day of February, 1989, personally
appeared before me Wilene K. Shumway, one of the signers of the
foregoing instrument, who duly acknowledged to me that he
executed the same in behalf of W. K. Enterprises, a Utah limited
partnership, as the general partner in said limited partnership.



Patricia H. Holbrook
Notary Public
Residing at Moh, Utah

My Commission Expires:

3-28-92

CONSENT OF LESSORS

KNOW ALL MEN BY THESE PRESENTS:

Maxine S. Boyd, John C. Steen, Charles A. Steen, Jr.,
Nancy Steen, Andy Kirk Steen, Mark Ashby Steen, Patricia
McCormick, Mitchell Melich and Doris S. Melich, for good and
valuable consideration, the receipt and sufficiency of which is
hereby acknowledged, hereby do the following:

1. Consent to the foregoing assignment of the PRESENT
LEASE by ATLAS to WKE.
2. Ratify and confirm the PRESENT LEASE.
3. Agree that if there have been any defaults on the
part of ATLAS prior to this date such are waived and the LEASE is
in full force and effect.
4. Agree that this CONSENT OF LESSORS may be executed
by the parties in any number of counterparts, each of which shall
be deemed an original and all of which together shall constitute
but one and the same instrument.

DATED this ____ day of _____, 1989.

Maxine S. Boyd

John C. Steen

Charles A. Steen, Jr.

Nancy Steen

Andy Kirk Steen

Mark Ashby Steen

Patricia McCormick

Mitchell Melich

Doris S. Melich

STATE OF _____)
County of _____) ss.

On this ____ day of _____, personally appeared
before me Maxine S. Boyd, one of the signers of the foregoing
instrument, who duly acknowledged to me that she executed the
same.

Notary Public

Residing at _____

My Commission Expires:

STATE OF _____)
County of _____) : ss.

On this ____ day of _____, personally appeared before me John C. Steen, one of the signers of the foregoing instrument, who duly acknowledged to me that he executed the same.

Notary Public

Residing at

My Commission Expires:

STATE OF _____)
 : ss.
County of _____)

On this ____ day of _____, personally appeared before me Charles A. Steen, Jr., one of the signers of the foregoing instrument, who duly acknowledged to me that he executed the same.

Notary Public

Residing at

My Commission Expires:

STATE OF _____)
County of _____) ss.

On this ____ day of _____, personally appeared
before me Nancy Steen, one of the signers of the foregoing
instrument, who duly acknowledged to me that she executed the
same.

Notary Public

Residing at _____

My Commission Expires:

STATE OF _____)
County of _____) ss.

On this ____ day of _____, personally appeared
before me Andy Kirk Steen, one of the signers of the foregoing
instrument, who duly acknowledged to me that he executed the
same.

Notary Public

Residing at _____

My Commission Expires:
